

**DISTRICT ATTORNEY OF THE THIRTY-THIRD
JUDICIAL DISTRICT**

OBERLIN, LOUISIANA

A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JUL 31 2013**

**STUTZMAN & GATES, LLC
P. O. BOX 1238
SULPHUR, LOUISIANA 70664-1238
(337) 533-1700**

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
OBERLIN, LOUISIANA

A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2012

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	3
BASIC FINANCIAL STATEMENTS:	
GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Position – Governmental Activities	6
Statement of Activities – Governmental Activities	7
FUND FINANCIAL STATEMENTS:	
Governmental Funds:	
Balance Sheet	9
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
FIDUCIARY FUNDS:	
Statement of Fiduciary Net Position – Agency Funds	13
NOTES TO THE FINANCIAL STATEMENTS	15
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule	
General Fund	28
Probation Fund	29
Intervention Fund	30
INDEPENDENT AUDITOR'S REPORT SECTION:	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	32
Schedule of Findings & Responses	34
Status of Prior Audit Findings	36

Stutzman & Gates, LLC

Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Todd Nesom
District Attorney of the Thirty-Third Judicial District
P. O. Box 839
Oberlin, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the District Attorney of the 33rd Judicial District, component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District Attorney of the 33rd Judicial District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District Attorney of the 33rd Judicial District, as of December 31, 2012, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 11 to the financial statements, in 2012, the District Attorney of the 33rd Judicial District adopted new accounting guidance, GASB Statement No. 63, *Reporting Deferred Outflows, Deferred Inflows, and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters


Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 28 through 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2013, on our consideration of the District Attorney of the 33rd Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney of the 33rd Judicial District's internal control over financial reporting and compliance.


Stutzman & Gates, LLC
Sulphur, Louisiana
June 27, 2013

BASIC FINANCIAL STATEMENTS

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
December 31, 2012

ASSETS	GOVERNMENTAL ACTIVITIES
Current assets:	
Cash	\$ 460,367
Prepaid expenses	2,219
Receivables:	
Other governments	55,683
Interest	24
TOTAL CURRENT ASSETS	<u>518,293</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	98,031
TOTAL ASSETS	<u>616,324</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	45,617
TOTAL LIABILITIES	<u>45,617</u>
NET POSITION:	
Net investment in capital assets	98,031
Restricted:	
Oakdale City Court	1,500
S.A.N.E.	2,000
Title IV	46,082
Unrestricted	423,094
TOTAL NET POSITION	<u>\$ 570,707</u>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2012

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Judicial Activities	\$ 1,524,753	\$ 860,750	\$ 389,813	\$ -	\$ (274,190)
Total governmental activities	<u>\$ 1,524,753</u>	<u>\$ 860,750</u>	<u>\$ 389,813</u>	<u>\$ -</u>	<u>\$ (274,190)</u>
GENERAL REVENUES					
Interest earned					466
On-behalf payments					253,000
Forfeitures					5,126
Miscellaneous					<u>1,158</u>
Total General Revenues					<u>259,750</u>
CHANGES IN NET POSITION					(14,440)
NET POSITION - BEGINNING					<u>585,147</u>
NET POSITION - ENDING					<u>\$ 570,707</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Balance Sheet, Governmental Funds
December 31, 2012

	GENERAL FUND	WORTHLESS CHECK FUND	PROBATION FUND	INTERVENTION FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash	\$ 450,660	\$ 2,841	\$ 4,046	\$ 2,820	\$ 460,367
Prepaid expenses	2,219	-	-	-	2,219
Receivables	55,707	-	-	-	55,707
TOTAL ASSETS	\$ 508,586	\$ 2,841	\$ 4,046	\$ 2,820	\$ 518,293
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 45,617	\$ -	\$ -	\$ -	\$ 45,617
Total Liabilities	45,617	-	-	-	45,617
Fund balances:					
Nonspendable - prepaids	2,219	-	-	-	2,219
Restricted:					
Oakdale City Court	1,500	-	-	-	1,500
S.A.N.E.	2,000	-	-	-	2,000
Title IV	46,082	-	-	-	46,082
Assigned	-	2,841	4,046	2,820	9,707
Unassigned	411,168	-	-	-	411,168
Total Fund Balances	462,969	2,841	4,046	2,820	472,676
TOTAL LIABILITIES AND FUND BALANCES	\$ 508,586	\$ 2,841	\$ 4,046	\$ 2,820	\$ 518,293

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2012

TOTAL FUND BALANCE FOR GOVERNMENTAL FUNDS
AT DECEMBER 31, 2012

\$ 472,676

Total net position reported for governmental activities in the statement of net
position is different because:

Capital assets used in governmental activities are not financial resources
and therefore are not reported in the funds.

Capital assets, net of accumulated depreciation

98,031

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES
AT DECEMBER 31, 2012

\$ 570,707

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2012

	GENERAL FUND	WORTHLESS CHECK FUND	PROBATION FUND	INTERVENTION FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Commissions on fines and forfeitures and fees for collection of worthless checks	\$ 146,277	\$ 51,548	\$ 179,741	\$ 313,603	\$ 691,169
Intergovernmental revenues:					
Parish police jury grants	90,972	-	-	-	90,972
Parish school board	50,000	-	-	-	50,000
Federal grants	133,762	-	-	-	133,762
State revenues	30,000	-	-	-	30,000
Interest earnings	368	10	20	68	466
On-behalf payments	253,000	-	-	-	253,000
Other revenues:					
Gaming revenues	85,079	-	-	-	85,079
Worthless checks	-	169,581	-	-	169,581
Forfeitures	5,126	-	-	-	5,126
Miscellaneous	549	609	-	-	1,158
TOTAL REVENUES	795,133	221,748	179,761	313,671	1,510,313
EXPENDITURES					
Auto expenses	19,428	-	-	-	19,428
Bank charges	-	38	-	196	234
Criminal Disbursements	2,793	-	-	-	2,793
Drug education	2,269	-	-	-	2,269
Dues and subscriptions	2,902	-	-	-	2,902
Insurance	5,551	-	-	-	5,551
Intergovernmental transfers	43,742	13,620	65,619	64,344	187,325
Lace	80,893	-	-	-	80,893
Medical	450	-	-	-	450
Miscellaneous	750	784	101	-	1,635
Office	13,337	-	-	-	13,337
Postage	3,247	-	-	-	3,247
Public relations	1,913	-	-	-	1,913
Restitution	-	-	26,740	12,080	38,820
Salaries and benefits	962,591	-	-	-	962,591
Seminars	18,251	-	-	-	18,251
Telephone	4,652	-	-	-	4,652
Travel	3,125	-	-	-	3,125
Uniforms	995	-	-	-	995
Worthless check disbursements	-	169,581	-	-	169,581
TOTAL EXPENDITURES	1,166,889	184,023	92,460	76,620	1,519,992
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(371,756)	37,725	87,301	237,051	(9,679)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	360,801	-	-	-	360,801
Operating transfers out	-	(37,928)	(84,077)	(238,796)	(360,801)
Total other financing sources (uses)	360,801	(37,928)	(84,077)	(238,796)	-
NET CHANGE IN FUND BALANCE	(10,955)	(203)	3,224	(1,745)	(9,679)
FUND BALANCES, BEGINNING	473,924	3,044	822	4,565	482,355
FUND BALANCES, ENDING	\$ 462,969	\$ 2,841	\$ 4,046	\$ 2,820	\$ 472,676

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012

Amounts reported for governmental activities in the statement of activities are different because:

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS INCREASE (DECREASE)	\$ (9,679)
--	------------

Governmental funds report capital outlays as expenditures, however, in the statement of activities the capitalized cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense:

Depreciation expense	\$ <u>(4,761)</u>	<u>(4,761)</u>
----------------------	-------------------	----------------

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (14,440)</u>
--	--------------------

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Statement of Fiduciary Net Position - Agency Funds
December 31, 2012

	<u>FORFEITURE FUND</u>	<u>TIX FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	<u>\$ 34,282</u>	<u>\$ 515</u>	<u>\$ 34,797</u>
TOTAL ASSETS	<u>\$ 34,282</u>	<u>\$ 515</u>	<u>\$ 34,797</u>
LIABILITIES			
Due to other agencies	<u>\$ 34,282</u>	<u>\$ 515</u>	<u>\$ 34,797</u>
TOTAL LIABILITIES	<u>\$ 34,282</u>	<u>\$ 515</u>	<u>\$ 34,797</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district. He is also the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury, and performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the parish of Allen, Louisiana. The District Attorney has approximately twenty employees.

REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury financial statements would be misleading if data of the organization were not included because of the nature or significance of the relationship, the district attorney was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district attorney and do not present information on the police jury, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the District Attorney of the Thirty-Third Judicial District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of these notes.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the industry audit guide, Audits of State and Local Governments, issued by the American Institute of Certified Public Accountants and the Louisiana Governmental Audit Guide.

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District Attorney of the Thirty-Third Judicial District of Allen Parish. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees and charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by the program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. All individual governmental funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District Attorney considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property taxes, reimbursements, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Interfund transfers are made to meet current or anticipated needs.

The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds are described below:

General Fund - The general operating fund of the District Attorney and accounts for all financial resources, except those required to be accounted for in other funds. To account for fines collected and bonds forfeited used to operate the District Attorney's office. Also to account for the State Department of Social Service's grant reimbursement used to fund family and child support enforcement services.

Special Revenue Funds:

Worthless Checks - To account for the collection and processing of worthless checks. Fees collected vary according to the check amount.

Intervention - To account for the pre-trial intervention and diversion programs. The program is offered to selected non-violent offenders as an alternative to prosecution. The revenues for this fund are derived from charges for services to participants.

Probation - To account for the probation program. The fund is to account for fines, court costs, and probation fees collected from individuals for the crimes they have committed.

Additionally, the District Attorney's office reports the following fund types:

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District Attorney. Fiduciary funds include:

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Agency Funds:

Forfeiture – To account for the collection and distribution of seized and forfeited assets.

Tix – To account for the collection and distribution of online payments.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Budgets

A budget is adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

In December of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

There was one amendment to the General Fund during the year and the amendment is reflected in the budget comparison. There was one amendment to the Probation Fund and the Intervention Fund during the year and the amendment is reflected in the budget comparison. A budget was not prepared for the Worthless Checks Fund for 2012.

D. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

E. Investments

Investments are limited by R.S. 33:2955 and the District Attorney's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

F. Prepaid Items

The District Attorney records as prepaid assets, expenditures during the current period that will benefit the subsequent period.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., drainage structures, bridges, and similar items), are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. The District Attorney has established a \$5,000 capitalization threshold.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20-40 years
Furniture, fixtures and equipment	5-10 years
Vehicles	5 years

H. Compensated Absences

The District Attorney's leave policy does not provide for the accumulation and vesting of leave.

I. Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance of the governmental funds are classified as follows:

1. *Nonspendable*, such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and for property held for resale (unless the proceeds are restricted, committed, or assigned),
2. *Restricted* fund balance category includes amounts that can only be spent for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District Attorney (the District Attorney's highest level of decision-making authority),

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4. *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent can be expressed by the District Attorney or by an official or body to which the District Attorney delegates the authority,
5. *Unassigned* fund balance category includes amounts that are available for any purpose and are only reported in the general fund.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District Attorney considers amounts to have been spend first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Attorney has provided otherwise in its commitment or assignment actions.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then, restricted fund balances for specific purposes are determined (not including nonspendable amounts). Then, any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund.

As of December 31, 2012, the District Attorney did not have any committed fund balances.

J. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

K. Interfund Transfers

Transfers are made into the General Fund from the Special Revenue Funds to assist in the payment of normal operating expenditures.

NOTE 2 - CASH AND CASH EQUIVALENTS

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

In accordance with a fiscal agency agreement that is approved by the District Attorney, the District Attorney's office maintains demand and time deposits through local depository banks that are members of the Federal Reserve System.

Interest rate risk. The District Attorney's office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 2 - CASH AND CASH EQUIVALENTS

Concentration of credit risk. The District Attorney's office places no limit on the amount the District Attorney's office may invest in any one issuer.

At December 31, 2012, the District Attorney has cash and cash equivalents (book balances) totaling \$495,164 as follows:

Interest-bearing demand deposits	\$ 471,731
Demand deposits	515
Time deposits	22,918
Total	<u>\$ 495,164</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2012, the District Attorney has \$607,425 in deposits (collected bank balances). These deposits are secured from risk by \$397,471 of federal deposit insurance and \$209,954 of pledged securities held by the custodial bank in the name of the fiscal agency bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District Attorney that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 - RECEIVABLES

The following is a summary of receivables at December 31, 2012:

<u>Class of Receivable</u>	<u>General Fund</u>
Federal grant	\$ 46,082
Fines and reimbursements	9,601
Interest	24
Total	<u>\$ 55,707</u>

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 4 - CHANGES IN CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ending December 31, 2012:

	Building Improvements	Furniture, Fixtures & Equipment	Vehicles	Total
Capital assets being depreciated				
Cost at December 31, 2011	\$ 120,696	\$ 55,792	\$ 17,509	\$ 193,997
Additions	-	-	-	-
Deletions	-	-	-	-
Cost at December 31, 2012	120,696	55,792	17,509	193,997
Depreciation:				
Accumulated depreciation - December 31, 2011	(23,216)	(55,502)	(12,487)	(91,205)
Additions	(3,258)	(193)	(1,310)	(4,761)
Deletions	-	-	-	-
Accumulated depreciation - December 31, 2012	(26,474)	(55,695)	(13,797)	(95,966)
Capital assets, net of accumulated depreciation at December 31, 2012	<u>\$ 94,222</u>	<u>\$ 97</u>	<u>\$ 3,712</u>	<u>\$ 98,031</u>

Depreciation expense of \$4,761 was charged to judicial activities for the year 2012.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund transfers for the year ending December 31, 2012 is as follows:

Interfund Transfers:

From	To	Amount
Intervention Fund	General Fund	\$ 238,796
Probation Fund	General Fund	84,077
Worthless Checks Fund	General Fund	37,928
Total		<u>\$ 360,801</u>

The District Attorney's office makes routine transfers between funds to pay routine expenses that occur during the year.

NOTE 6 - PENSION PLANS

Plan Description. The District Attorney and assistant district attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant district attorneys who earn, as a minimum, the amount paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 6 - PENSION PLANS

elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3% benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3% benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3% benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3% of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100% of his average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final-average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2091, or by calling (504) 947-5551.

Funding Policy. Plan members are required by state statute to contribute 7% of their annual covered salary. Contributions to the System also include .2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members may be amended by state statute. The District Attorney, effective July 1, 2004, began making a matching contribution which were discontinued during 2007 and reinstated during 2009. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Contributions for 2012, 2011, and 2010 totaled \$16,480, \$14,890, and \$9,784, respectively.

Plan Description. Substantially all other employees of the District Attorney are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District Attorney are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 6 - PENSION PLANS

before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980 plus 3% of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the District Attorney is required to contribute at an actuarially determined rate. The 2012 rate is 15.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District Attorney are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District Attorney's contributions to the System under Plan A for the years ending 2012, 2011, and 2010 were \$54,223, \$52,678, and \$52,023 respectively, equal to the required contributions for each year.

NOTE 7 - RISK MANAGEMENT

The District Attorney is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District Attorney maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The District Attorney did not reduce insurance coverage during 2012.

NOTE 8 - EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED IN THE ACCOMPANYING FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of the criminal court, the Allen Parish Police Jury, or directly by the state. The Allen Parish Police Jury pays certain salaries and employer contributions of District Attorney personnel.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 9 – CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency funds:				
Forfeiture Fund	\$ 41,522	\$ 20,961	\$ 28,201	\$ 34,282
Tix Fund	3,644	336,677	339,806	515
Total Agency funds	<u>\$ 45,166</u>	<u>\$ 357,638</u>	<u>\$ 368,007</u>	<u>\$ 34,797</u>

NOTE 10 – SUBSEQUENT EVENT REVIEW

The District Attorney's management has evaluated subsequent events through June 27, 2013, the date which the financial statements were available to be issued.

NOTE 11 – ACCOUNTING CHANGE

The District Attorney adopted Governmental Accounting Standards (GASB 63) for the year 2012. The statement provides guidance for reporting the financial statement elements of *deferred outflows of resources and deferred inflows of resources*. It also reports net position instead of net assets.

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS

In June 2011, the Governmental Accounting Standards Board (GASB) approved Statement No. 65, "Items Previously Reported as Assets and Liabilities." The statement clarifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. The provisions of GASB No. 65 must be implemented by the District Attorney for the year ending December 31, 2013. The effect of implementation on the District Attorney's financial statements has not yet been determined.

NOTE 13 – DEFERRED COMPENSATION PLAN

The District Attorney's office offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all full-time District Attorney employees after six months of employment, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
Notes to the Financial Statements (Continued)

NOTE 13 – DEFERRED COMPENSATION PLAN

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participants' rights under the plan are equal to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, P.O. Box 94397 Baton Rouge, Louisiana 70804-9397.

NOTE 14 – COMMUNITY GRANT AGREEMENT-COUSHATTA TRIBE OF LOUISIANA

The District Attorney received \$85,079 from Coshatta Casino Resort for the year ending December 31, 2012. This revenue was deposited directly into the General Fund and was not transferred out to any other funds during the year. The District Attorney used the gaming revenue to assist with the prosecution of crimes occurring on the tribal lands and the crimes that were reasonably connected with activity occurring at the tribal-owned casino resort in Kinder, Louisiana.

NOTE 15 – ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* requires the District Attorney to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana.

Supplementary salary payments are made by the state directly to the District Attorney and to the Assistant District Attorneys. The District Attorney's office is not legally responsible for these salaries. Therefore, the basis for recognizing revenue and expenditure payments is the actual contributions made by the state. On-behalf payments for salaries from the State of Louisiana in the amount of \$230,000 were recorded in the general fund as revenues and expenditures.

On-behalf payments include pension payments made on behalf of the District Attorney and Assistant District Attorneys. The payments are made to the Louisiana District Attorney's Retirement System as described in Note 6 above. The District Attorney's office is not legally responsible for these payments. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the state. On-behalf payments for pension expense from the State of Louisiana in the amount of \$23,000 were recorded in the general fund as revenues and expenditures.

REQUIRED SUPPLEMENTARY INFORMATION

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	BUDGETED		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Commissions on fines and other costs	\$ 193,000	\$ 138,500	\$ 146,277	\$ 7,777
Intergovernmental revenues:				
Parish police jury grants	93,000	98,500	90,972	(7,528)
Parish school board	50,600	50,000	50,000	-
Federal grants	135,000	113,000	133,762	20,762
State revenues	30,000	30,000	30,000	-
Interest earnings	100	200	368	168
On-behalf payments	-	-	253,000	253,000
Other revenues:				
Gaming revenues	88,000	85,000	85,079	79
Forfeitures	3,500	5,100	5,126	26
Miscellaneous	3,075	2,200	549	(1,651)
TOTAL REVENUES	596,275	522,500	795,133	272,633
EXPENDITURES				
Auto expenses	12,000	19,500	19,428	72
Bank charges	100	-	-	-
Capital outlay	3,000	-	-	-
Contract labor	500	1,500	-	1,500
Criminal Disbursements	-	3,700	2,793	907
Drug education	1,000	2,250	2,269	(19)
Dues and subscriptions	3,000	2,875	2,902	(27)
Insurance	7,500	5,200	5,551	(351)
Intergovernmental transfers	-	28,500	43,742	(15,242)
Lace	71,000	81,500	80,893	607
Medical	600	450	450	-
Miscellaneous	2,500	3,000	750	2,250
Office	30,000	10,100	13,337	(3,237)
Postage	5,000	3,200	3,247	(47)
Public relations	3,000	1,900	1,913	(13)
Repairs	500	2,000	-	2,000
Salaries and benefits	670,000	707,500	962,591	(255,091)
Seminars	14,000	18,300	18,251	49
Telephone	4,500	4,350	4,652	(302)
Travel	3,500	1,900	3,125	(1,225)
Uniforms	1,500	1,000	995	5
TOTAL EXPENDITURES	833,200	898,725	1,166,889	(268,164)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(236,925)	(376,225)	(371,756)	4,469
OTHER FINANCING SOURCES (USES)				
Operating transfers in	290,000	365,000	360,801	(4,199)
Total other financing sources (uses)	290,000	365,000	360,801	(4,199)
NET CHANGE IN FUND BALANCE	53,075	(11,225)	(10,955)	270
FUND BALANCE, BEGINNING	473,924	473,924	473,924	-
FUND BALANCE, ENDING	\$ 526,999	\$ 462,699	\$ 462,969	\$ 270

Notes to the Schedule:

The budget is adopted on a basis consistent with generally accepted accounting principles. There was one amendment to the budget in 2012.

All of the expenditures listed were amended more than 10%: Auto, bank charges, capital outlay, contract labor, criminal disbursements, drug education, insurance, intergovernmental transfers, lace, medical, miscellaneous, office, postage, public relations, repairs, salaries and benefits, seminars, travel, and uniforms.

The expenditures and other financing uses were under budgeted by \$268,164, primarily due to the inclusion of on-behalf payments in salaries and benefits.

The following revenues were amended by more than 10%: Commissions on fines and other costs, Federal grants, Interest, Forfeitures, and Miscellaneous.

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
PROBATION FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	BUDGETED		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Commissions on fines and other costs	\$ 105,000	\$ 85,000	\$ 179,741	\$ 94,741
Interest earnings	-	-	20	20
TOTAL REVENUES	105,000	85,000	179,761	94,761
EXPENDITURES				
Intergovernmental transfers	-	-	65,619	(65,619)
Miscellaneous	-	-	101	(101)
Restitution	-	-	26,740	(26,740)
TOTAL EXPENDITURES	-	-	92,460	(92,460)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	105,000	85,000	87,301	2,301
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(105,000)	(85,000)	(84,077)	923
Total other financing sources (uses)	(105,000)	(85,000)	(84,077)	923
NET CHANGE IN FUND BALANCE	-	-	3,224	3,224
FUND BALANCE, BEGINNING	822	822	822	-
FUND BALANCE, ENDING	\$ 822	\$ 822	\$ 4,046	\$ 3,224

Notes to the Schedule:

The budget is adopted on a basis consistent with generally accepted accounting principles. There was one amendment to the budget in 2012.

The expenditures and other financing uses were underbudgeted by \$91,537.

Commissions on fines and other costs and operating transfers were amended by more than 10%.

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT
Oberlin, Louisiana
INTERVENTION FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	BUDGETED		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Commissions on fines and other costs	\$ 155,000	\$ 234,600	\$ 313,603	\$ 79,003
Interest earnings	-	-	68	68
TOTAL REVENUES	155,000	234,600	313,671	79,071
EXPENDITURES				
Bank charges	-	-	196	(196)
Intergovernmental transfers	-	-	64,344	(64,344)
Restitution	-	-	12,080	(12,080)
TOTAL EXPENDITURES	-	-	76,620	(76,620)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	155,000	234,600	237,051	2,451
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(155,000)	(234,600)	(238,796)	(4,196)
Total other financing sources (uses)	(155,000)	(234,600)	(238,796)	(4,196)
NET CHANGE IN FUND BALANCE	-	-	(1,745)	(1,745)
FUND BALANCE, BEGINNING	4,565	4,565	4,565	-
FUND BALANCE, ENDING	\$ 4,565	\$ 4,565	\$ 2,820	\$ (1,745)

Notes to the Schedule:

The budget is adopted on a basis consistent with generally accepted accounting principles. There was one amendment to the budget in 2012.

The expenditures and other financing uses were underbudgeted by \$80,816.

Commissions on fines and other costs and operating transfers were amended more than 10%.

The accompanying notes are an integral part of this statement.

INDEPENDENT AUDITOR'S REPORT SECTION

Stutzman & Gates, LLC

Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Todd Nesom
District Attorney of the Thirty-Third Judicial District
P. O. Box 839
Oberlin, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the District Attorney of the 33rd Judicial District as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District Attorney of the 33rd Judicial District's basic financial statements and have issued our report thereon dated June 27, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District Attorney of the 33rd Judicial District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the 33rd Judicial District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney of the 33rd Judicial District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies. See items 2012-1, 2012-2, and 2012-3.

Compliance and Other Matters

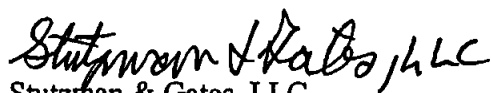
As part of obtaining reasonable assurance about whether the District Attorney of the 33rd Judicial District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2012-3.

District Attorney of the 33rd Judicial District's Response to Findings

The District Attorney of the 33rd Judicial District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The District Attorney of the 33rd Judicial District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


Stutzman & Gates, LLC
Oberlin, Louisiana
June 27, 2013

**District Attorney of the Thirty-Third Judicial District
Schedule of Findings & Responses
For the Year Ended December 31, 2012**

2012-1 Segregation of Duties

Condition:	Because of the entity's size and the limited number of accounting personnel, it is not feasible to maintain a complete segregation of duties to achieve effective internal control.
Criteria:	Effective internal control requires adequate segregation of duties among client personnel.
Effect:	Without proper segregation of duties, errors within the financial records or fraud could go undetected.
Recommendation:	To the extent cost effective, duties should be segregated and management should attempt to mitigate this significant deficiency in internal control by supervision and review procedures.
Response:	We concur with this recommendation. Management has implemented supervision and review procedures to the extent possible.

2012-2 Controls over Financial Reporting

Condition:	In our judgment, the personnel of the Office of the District Attorney of the Thirty-Third Judicial District do not have the specialized accounting training necessary to generate the financial statements, together with related notes in accordance with generally accepted accounting principles (GAAP).
Criteria:	The Auditing Standards Board issued guidance to auditors related to entity's internal controls over financial reporting. Many small organizations rely on their auditor to generate the annual financial statements including footnotes. SAS No. 112 emphasizes that the auditor cannot be part of your system of internal control over financial reporting.
Effect:	Misstatements in financial statements could go undetected.
Recommendation:	In our judgment, due to the lack of resources available to management to correct this significant deficiency in internal control in financial reporting, we recommend management mitigate this significant deficiency in internal control by having a heightened awareness of all transactions being reported.
Response:	We concur with this recommendation. Management has implemented supervision and review procedures to the extent possible.

**District Attorney of the Thirty-Third Judicial District
Schedule of Findings & Responses
For the Year Ended December 31, 2012**

2012-3 Local government budget act – Budgetary authority and control

Condition:	The General Fund did not reflect on-behalf payments of salary and fringe benefits paid by the state as required by GASB Statement No. 24 in their budget. The Probation Fund and Intervention Fund budgets did not reflect transfers to other government agencies in their budget. Actual expenditures and other uses exceeded budgeted expenditures and other uses by 30 % in the General Fund, 108% in the Probation Fund, and by 34% in the Intervention Fund for the year ended December 31, 2012.
Criteria:	La. Rev. Stat. §39:1311 (A) (2). Whenever total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding budgeted expenditures and other uses by five percent or more, the budget shall be amended.
Effect:	Violation of local government budget act.
Recommendation:	The District Attorney should include on-behalf payments and transfers to other government agencies in the budget. The District Attorney should amend the budget whenever actual expenditures and other uses plus projected expenditures and other uses exceed budgeted expenditures and other uses by five percent or more.
Response:	We concur with this recommendation. The District Attorney will amend its budget whenever necessary in the future.

**District Attorney of the Thirty-Third Judicial District
Status of Prior Audit Findings
For the Year Ended December 31, 2012**

2011-1 Segregation of Duties

Corrective action taken – Due to lack of sufficient financial resources, this finding cannot be resolved.

2011-2 Controls over Financial Reporting

Corrective action taken – Due to lack of sufficient financial resources, this finding cannot be resolved.

2011-3 Local Government Budget Act – Budgetary authority and control

Corrective action taken – Yes.